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C O N F I D E N T I A L SECTION 01 OF 02 BAKU 000734

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DEPARTMENT FOR EUR DAS BRYZA

E.O. 12958: DECL: 05/25/2017

TAGS: <u>PREL PGOV ENRG BPIS AJ TU</u>
SUBJECT: AZERBAIJANI DEPUTY FOREIGN MINISTER KHALAFOV ON

IRAN AND TURKMENISTAN

REF: BAKU 696

Classified By: Charge Donald Lu, REASONS 1.4 (B,D).

(C) SUMMARY: Deputy Assistant to the Vice President for National Security Advisor Joseph Wood and Ambassador Derse met with Azerbaijani Deputy Foreign Minister Khalaf Khalafov on May 30. Khalafov, responsible for Caspian delimitation and policy toward Iran and Turkmenistan, affirmed Azerbaijan,s support for UN sanctions against Iran but stressed the Security Council must be united for sanctions to be most effective. Stressing Azerbaijan,s complex relationship with Iran, Khalafov urged dialogue rather than confrontation over Iran,s nuclear programs. Khalafov outlined Azerbaijan,s plans to re-establish relations with Turkmenistan, focusing first on "non-dispute" issues such as humanitarian and economic issues, including the establishment of an intergovernmental commission. SUMMARY.

## IRAN-AZERBAIJANI RELATIONS

- 12. (C) Khalafov, who is Azerbaijan's chief negotiator on the Caspian demarcation issues, and is responsible for Iran policy within the Azerbaijani MFA, described Azerbaijani-Iranian relations as being different at different points in time. Speaking in Azerbaijani, Khalafov said that Azerbaijan was trying to build relations in order to "minimize the negatives" from the Iranian side, and that Azerbaijan is "carrying out political dialogue in order to normalize political relations." He said that Azerbaijan was always factoring in Iran when it formulates its policies and that there are sometimes negative effects as a result.
- (C) Khalafov said that Iran continues to export Islamic ¶3. revolution to Azerbaijan overtly through educational and cultural means, particularly through providing formal Shi'ite Islamic education to young Azerbaijani men. Additionally, Khalafov cited Iranian support for Armenia as something that also had a direct, detrimental effect on Azerbaijan's national security. He said that both these factors have

"increased over the years." He said while Sunni extremism is rising worldwide, Iran is also doing its part to support Islamic radicalism in the north Caucasus and Georgia.

- (C) Azerbaijan is also concerned about Iran's nuclear program. Khalafov said that Azerbaijan acknowledges Iran,s right to peaceful nuclear development in line with international norms and standards. However, he quickly conceded that Iran had gone well past peaceful nuclear development. Khalafov said that "if the situation continues to develop as it is, then it will not be good for Azerbaijan." He lamented the statements of Iranian President Ahmedinejad, noting that his statements against Israel "do not contribute to stability, because Iran has the ability to act on their statements."
- (C) Khalafov was also concerned about Iran's role in the Middle East and the Middle East Peace Process, nothing that Iran,s goal was to "create problems with the Sunni countries." He described Iran as pushing "artificial policies they are trying to use in the context of the Middle East." In regard to Russia, he said that Iran's position creates a great deal of opportunities for Russia in the region, and quickly noted that it therefore was important for Azerbaijan to strengthen its alliance with the United States and Europe in security, political, economic and social areas. He said that it was not in Russia's national interests that Iran develop nuclear weapons.
- (C) In regard to a third round of United Nations sanctions, Khalafov opined that Iran does not comprehend the

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effect that sanctions will ultimately have on it, and said that Azerbaijan favored a third round of sanctions on Iran. He also was quick to stress that it would be important for the United Nations Security Council to be unified on this, as this would send a more powerful and ultimately productive message to Iran than the sanctions themselves. Khalafov said that Azerbaijan "feels a big responsibility" to implement UNSCR 1747 and that Azerbaijan would implement these sanctions as best as it could. He also noted that "Azerbaijan has warned Iran of the consequences that may follow" sanctions.

- 17. (C) Khalafov said that the influence of Ahmedinejad was not as great as people would believe. Based on the structure of the Iranian state, Khalafov said that the President is simply a puppet in the hands of the religious leaders, and carries out their policies. He said that much of the internal issues in Iran results with dissatisfactions with Ahmedinejad and not necessarily with the clerical system.
- (C) Khalafov was also quick to stress that while Azerbaijan is a strategic partner of the United States, Azerbaijan is not interested in provoking Iran and that dialogue should be maintained whenever possible. He said that the situation within Iran "could be advantageous" and that "not everyone supports the government; there is opposition." He added that "work needs to be carried would with the 'hope sources' to deal with the Iranian nuclear issue."

## \_\_\_\_\_ TURKMENISTAN

19. (C) The discussion then turned to Turkmenistan, and Khalafov gave a fairly comprehensive briefing on Azerbaijani Foreign Minister Elmar Mammadyarov's recent trip to Turkmenistan (reftel). In addition Azerbaijan, s plans to take on "non-dispute" issues initially (reftel), Khalafov said that the re-establishment of Azerbaijani-Turkmenistan relations would focus on humanitarian issues, reopening the Turkmenistani embassy in

Baku, economic issues, Caspian dialogue and the establishment of an intergovernmental commission. He also noted that it would be important that Kazakhstani-Turkmenistani relations be strengthened, and he told Wood that "Azerbaijan and the United States have to work closely to get Turkmenistan and Kazakhstan to work more closely together." He said that the Kazakhstani and Turkmenistani presidents were "still more Russia-oriented, but there is room."

 $\P 10$ . (C) Deputy Assistant to the Vice President Wood has not had an opportunity to clear on this message.